

California Performance Review Commission

Public Hearing, Fresno CA

September 17, 2004

10:00 am to 5:00 pm

Testimony

To the California Performance Review (CPR) Commission for it's public hearing at Fresno State on Friday, September 17, 2004:

I am Nita Vail, Executive Director of the California Rangeland Trust, a statewide agricultural land trust whose mission is protect the rangeland, habitat and stewardship provided by California's ranches. The Rangeland Trust appreciates the opportunity to comment on the California Performance Review report and applauds the Governor's efforts to reduce waste and inefficiency in state government and make it more responsive to the needs of California's citizens.

OUR COMMENTS:

RES 35 – Increase Efficiency in Using Existing Bond Funds for Environmental Enhancement.

The California Rangeland Trust strongly supports RES 35, and has continually advocated the use of conservation easements and public-private partnerships as an alternative to fee title acquisition by state agencies as means to conserve open space. In recent years ranchers and others have increasingly recognized that conservation easements are an important and cost-effective way to conserve our state's working ranches. The current focus by entities within the Resources Agency on purchasing private properties outright has many drawbacks, including:

- The initial cost of fee title acquisition is much greater than costs of a conservation easement placed in perpetuity.
- Fee title acquisition forces the state to incur ongoing **management costs** for the property, whereas with a conservation easement the property is managed by the current owners, whose projects were selected based on their superior everyday management and stewardship practices. The continuation of these practices is assured by the careful monitoring of easements by land trusts.
- Current law specifies that property owned by government entities is exempt from property taxation. Fee title acquisition of properties by state agencies takes properties off local tax rolls, thus decreasing revenues to local governments.
- Fee title acquisition of properties by state agencies often results in the cessation of these properties being used for agricultural production. This loss of productive land available to beef cattle producers and other

agriculturalists is detrimental to neighboring farmers and ranchers, the agricultural community, and California's overall economic vitality.

RES 11—Consolidate Real Estate Services into One Organization.

The California Rangeland Trust has concerns about this recommendation. This proposal overlooks the Public Works Board, which approves land acquisition for management by the Department of Parks and Recreation, much as the Wildlife Conservation Board approves land acquisition for management by the Department of Fish and Game. Land use is locally driven and each transaction has unique elements. Compare RES 13, below, which appears to present an alternative for reform.

RES 13 – Consolidate Resource Land Acquisition Process

A. The California Rangeland Trust supports this proposal in concept but recommends further examination of alternatives. The proposed consolidation could improve existing administrative processes for resource-related acquisitions if it were accompanied by statutory and administrative adjustments to define a common set of acquisition review procedures, including appraisal review, and more efficient staffing of the acquisition functions. As matters stand, there are various procedures, with varying degrees of published specificity, depending upon the funding sources. The suggested members makes sense, except that agriculture, which constitutes the majority of private land ownership in California, should be represented, possibly by CDFA. An additional concern is that while this seems sound from a fiscal standpoint, this structure may create an unchecked concentration of power.

B. The California Rangeland Trust finds this recommendation to be overly restrictive and harmful to critical conservation endeavors. The greatest value to the people of the state may not be the cheap acquisition, but the one that is most urgent. Further, this approach may create pressure on appraisers to inflate values to generate the appearance of discounts. This approach also fosters fragmented conservation, rather than emphasizing the protection of larger landscapes.

C. The California Rangeland Trust supports independent appraisal and third party expert reviews. The DGS appraisal review function, where applicable, is specified by statutory requirement; therefore, legislative authority probably would be needed to effect this recommendation.

RES 31- Establish State Mitigation Property Standards and Registry

CRT supports the creation of a register of all available mitigation banks and properties. Such a resource would be an excellent tool to connect developers of environmentally sensitive land and sellers of mitigation properties, many of whom are rangeland stewards. However, CRT opposes the creation a similar register of parcels which public agencies and non-profit organizations would like to acquire and add to their holdings. Such a register is unnecessary for the purposes of connecting willing sellers and willing buyers,

and would potentially make landowners feel “targeted”, should their property be listed without consent. It could also artificially impact property values.

General

Given the current organizational structure of California’s government, there appears to be a serious disconnect between ‘agriculture’ and ‘resource management.’ With farmers and ranchers utilizing approximately 27 million acres of private land in California, and a total of over 50 million acres of our state’s public and private land, the message should be clear – agriculture is not just a part of the environment in California, in essence agriculture *is a critical part of* the environment. Therefore, CRT presents three recommendations to enhance CDFA’s role in representing farmers and ranchers:

1. The structure of CDFA and other agencies should be modified to allow CDFA, to the extent possible, to serve as the sole source of contact and authority for all issues pertaining to agriculture.
2. California’s farmers and ranchers, and/or CDFA, should be given a seat at the various policy venues making decisions affecting agricultural properties and/or resources, and the ability of California’s farmers and ranchers to maintain the viability of their operations.
3. The CPR report seems to recognize California’s farms and ranches only as wildlife habitat discussed under the heading of ‘[Resource Conservation and Environmental Protection](#)’, and falls short in acknowledging the many economic, environmental, and social benefits of a healthy agriculture industry. For these reasons, CRT requests that California’s farming and ranching community play a more prominent role in determining the ultimate outcome of the CPR report.

CONCLUDING REMARKS:

Again, CRT commends Governor Schwarzenegger for initiating the CPR process, and appreciates the opportunity to provide these comments. California’s cattle ranchers have a long history of providing outstanding resource stewardship by maintaining millions of acres of wildlife habitat. CRT feels the CPR report is a good start to addressing some of these complex problems, and stands ready with our members to work with Governor Schwarzenegger, his administration, the legislature, and other stakeholders in making government more efficient and responsive to California’s resource management needs.

Thank you.